

FOR RELEASE

10:00 a.m. Monday, August 6, 1979

Intelligence and the Role
of
The Intelligence Community

Policy Paper of the
INTELLIGENCE SUBCOMMITTEE
Advisory Council on National Security
and International Affairs

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INTELLIGENCE AND THE ROLE
OF
THE INTELLIGENCE COMMUNITY

It is an indisputable fact that the United States intelligence capability has, in recent years, become increasingly weakened and politicized. This deterioration began during the Nixon and Ford Administrations. It occurred primarily because of pressures and misguided initiatives of the Democratic-controlled Congress during those Administrations, and has continued and accelerated during the Carter Administration.

One important result is that the intelligence community has been subjected to debilitating political attacks which have harmed our national security. The intelligence community has been losing its ability to supply the President, senior U.S. officials and Congress with the best possible information and with timely warnings of threats to our security.

Of all the components of our intelligence establishment, the CIA and the FBI have suffered the most.

The consequences are serious and include:

- severe loss of morale in the intelligence agencies, made worse by wholesale firings of experienced personnel under the Carter/Mondale Administration and a steady stream of resignations, particularly in the clandestine services
- crippling of the community's effectiveness, and a dangerous erosion of security and discipline
- confusion and uncertainty about the reliability of the intelligence community's products
- an overall loss of public confidence, at all levels, in the intelligence community

• sharply reduced foreign confidence in our agents and in our intelligence services, particularly their ability to keep secrets

• the downgrading of the human factor in intelligence in favor of reliance on mechanized, technical processes and systems

The cumulative impact of these conditions has led to harmful policy miscalculations, massive intelligence failures and setbacks in our foreign policy, such as:

- the failure to interpret, analyze and respond to the turmoil in Iran which led to the virtual humiliation of the United States in the eyes of the world
- the inadequate assessment of the situation in the Horn of Africa (particularly in Ethiopia), and the resultant impact on the African continent
- the inability to predict, affect or even appreciate the significance of the Soviet-sponsored revolution in Afghanistan
- a feeling of utter helplessness with respect to Fidel Castro, Soviet-directed, armed and financed marauders in Africa and, as far as we can interpret recent trends, in renewed forms of subversion in nearby Central America -- specifically in Nicaragua, El Salvador and Guatemala
- the increasing reluctance of allied and friendly governments to participate in the generation and assessment of intelligence, the exchange of vital information and general cooperation
- serious erosion of our ability to recruit and maintain valid sources of information (agents) due to fear of discovery and retaliation which might cost them their lives

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- repeated and serious failures in our official estimates of Soviet military strength and its rate of growth

A national consensus is emerging on the need for invigorating and making our intelligence community more reliable. We must know what is going on in the world. We must have first-class specialists to tell us what it means, and we must be certain that the full weight of our intelligence capabilities is brought to bear on the policymaking process in an objective, nonpolitical way. Finally, we must find better ways of utilizing our intelligence community both overtly and clandestinely in pursuit of our foreign policy objectives.

Without dramatic change -- and soon -- in our attitude toward national security, of which intelligence is such a vital part, we run the risk of destroying our ability to influence and cope with world events.

In view of this serious state of affairs, the pending "intelligence charter" being propounded by the Administration in the form of the "National Intelligence Reorganization and Reform Act of 1978," (S. 2525) is totally inadequate and unacceptable.

The need for a comprehensive intelligence charter geared not only to present realities, but also to our future national security requirements, dictates that we go back to the drawing board and start anew.

Specifically, we call for a comprehensive, searching and extensive set of Congressional hearings designed to elicit the best available information as to our intelligence requirements for at least the next decade -- a crucially important period.

These hearings should be conducted under the auspices of a Joint Committee on Intelligence, to be created by the Congress, and into which would be folded existing Congressional committees and subcommittees with jurisdiction of any type in the field of intelligence. The practical effect of this step will be to reduce the spreading access to sensitive information and to ensure that intelligence matters in the Congress are dealt with by a staff of competent professionals under conditions of security, confidentiality and complete bipartisanship.

We recommend that these hearings be conducted with a view toward rebuilding the intelligence community within the framework of the National Security Act of 1947. This Act has served us well for more than thirty years, but now requires modernizing to reflect the conditions of the 1980s.

If we were to continue to try to work with the Administration's proposed intelligence charter, which has been drawn up by a small group of individuals who seem more bent on an old anti-CIA crusade than in creating an effective intelligence community, we would in effect be accepting the initial logic of those who believe their mission to be that of "chaining the rogue elephant" of American intelligence. By accepting their charter, we would in effect be accepting their curiously biased view that the main threats to our liberties come from our own Government instead of from our external enemies. While their rhetoric has changed and cooled, the legislation which the Carter Administration proposes would stack the deck against a stronger and more effective intelligence community in several ways:

- it would subordinate the intelligence community under the CIA and under its director, who serves at the pleasure of the President.

- it would prescribe numerous reports to guard against excess zeal on the part of the intelligence agencies, but not do enough to promote the necessary personal sense of dedication and initiative. Thus, it will cultivate a passive bureaucracy averse to taking the initiative
- it would needlessly entangle Federal judges in the day-to-day operations of American intelligence
- it would prohibit or restrict the CIA from employing Americans who are journalists, clerics or academics, presumably on the assumption that to help the United States acquire the intelligence it needs would somehow contaminate these professions. This reflects a convoluted view of America's national intelligence functions, as if these functions -- so essential to protecting our country -- were somehow morally repugnant, to be performed by a caste of untouchables.

In view of this we propose:

- 1) The intelligence community should be structured so as to separate American intelligence from political influence, and to disentangle the web of bureaucracy which has contributed to destructive conflict within the community.

The President should have his own chief adviser for intelligence matters, who should serve at his pleasure and should communicate the President's priorities to the intelligence community. He should present to the Congress the President's views of the community's needs, and should be the community's sole contact with the news media.

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Working with the President's National Security Adviser and the Office of Management and Budget within the White House staff structure on the one hand, and the components of the intelligence community on the other hand, this individual would serve as a facilitator, coordinator and synthesizer. His presence in the White House should reassure the intelligence community at-large that its products will be thoroughly reviewed and integrated into the policymaking process. In addition, his duties would include close liaison with a re-established President Intelligence Board, whose creation we strongly support (see below).

There is much to be said for having such a director of national intelligence, but this person ought not be the head of any of the intelligence agencies. Nor as the President's man should he take part in drafting intelligence estimates. This would eliminate the conflict which directors have faced among their loyalty to the President, their loyalty to the CIA, their responsibilities to the rest of the intelligence community, and their commitment to good and effective intelligence.

The several agencies which comprise the intelligence community should be headed by directors appointed for fixed terms, which would overlap Administrations. This should help to guarantee an essential requirement for intelligence: political independence.

The clandestine services have been of inestimable value to our national security. They have performed some of the most important of the CIA's unique functions, and they should be strengthened. However, heretofore, they have been part of an over-all organization which has become increasingly concerned with the collection and

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interpretation of information. They should become a specialized "Foreign Operations Service" (FOS) charged with performing clandestine collection, covert or (as appropriate) overt actions, and counter-intelligence abroad. This agency, as such, would be wholly clandestine; every agency of the U.S. government would be required to furnish the clandestine services with full credentials, working assignments abroad for purposes of "cover" and full cooperation. New legislation should also provide immunity for American corporations or other entities in the private sector in connection with any lawsuit directed against them for permitting intelligence officers to use their activities as "cover." Finally, the law should neither inhibit nor prohibit any American citizen from lending assistance to his country's clandestine intelligence if he so desires.

2) The task of analyzing intelligence is very important. Nothing has so endangered the United States in the last generation as the National Intelligence Estimates' repeated underestimation of the Soviet Union's buildup of strategic arms. Despite the availability of information that gave the true picture of what was happening, the nation was misled for years until the President's Foreign Intelligence Advisory Board created an independent group of analysts to go through the data and make its report. Some have even characterized the continuing mis-assessment of the Soviet military buildup as an intelligence abuse of the first magnitude.

Unfortunately, President Carter, as one of his first official acts, eliminated the Foreign Intelligence Advisory Board. That Board or something quite like it, must be reestablished as a permanent body. Its independence must be assured. With its appointees drawn from the ranks of distinguished and experienced analysts and

operating with adequate human and material resources, such a body would bear the responsibility of performing a constant "audit" of national intelligence resources, assuring that its own opinion and counsel reach the President, his top advisers and the Congress free of any institutional, organizational or policy bias.

We believe that the law should provide for more than one center for the production of national intelligence estimates in order to have constructive competition and to foster impartiality. We have seen that intelligence analysts -- like professors, journalists, businessmen, and politicians -- are more productive and careful when they perform under competitive conditions. They can also be improved by the constructive criticism from specialists, scholars and others from outside the government.

The present system does not adequately provide for competition. Rather, the process by which the views of the bureaucracy's various parts are blended into a single product actually provides incentives against good analysis. In order for there to be true, healthy competition in the analysis of intelligence, what is now pretentiously known as the National Foreign Assessment Center should have status under the law as only one source of intelligence estimates. The law ought to provide for another source -- either a much-improved Defense Intelligence Agency or a wholly new source of alternative analysis.

3) Counterintelligence has never been popular -- except in time of war. Within the CIA, the counterintelligence staff has not been seriously down-graded although its job is to protect intelligence from "penetration" by hostile foreign sources. The Federal Bureau of Investigation does a reasonable job on internal security, but its

Counterintelligence should be a significant part
Approved For Release 2004/10/13 : CIA-RDP88-01315R000300040003-5

of the Foreign Operations Service. Moreover, the law should provide for an office -- either independent or within the Department of Justice -- where employees of the FBI or the Foreign Operations Service can jointly maintain central files on counterintelligence and counter-terrorism. Here, joint teams of officers from both the domestic and foreign intelligence services would lawfully look at the same data and make rational decisions about the nature of threats from foreign espionage services and terrorist groups. From this office, guidance would go out to the counterintelligence elements in the FBI and FOS on how to pursue cases in their respective areas of responsibility.

4) The Freedom of Information Act and the Privacy Act have had a definite adverse impact on how law enforcement and intelligence agencies operate, fulfill their responsibilities and protect their own security. This is especially true with respect to the responsibilities of the FBI, the CIA and the United States Secret Service, organizations forced by this legislation into a reactive rather than a preventive role. Moreover, the full impact of these laws will not be realized until some time in the future, when it may be too late to repair even the present considerable damages that these statutes have done.

These acts have contributed to the virtual dismantling of the Federal Loyalty-Security Program by making it extremely difficult to conduct meaningful background checks on those being considered for employment in sensitive Government positions. Although Executive Order 10450, which is still in effect, requires that investigations determine whether an employee or prospective employee belongs to any group that advocates the overthrow of the Government by force or

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violence, Civil Service investigators now do not even ask applicants if they are or have been members of the Communist, Nazi, Ku Klux Klan or other totalitarian or violence-prone organizations. And because the FBI under present directives cannot generally surveil most of these subversive organizations, there is no way to know if a person should be barred from sensitive Federal employment.

The Freedom of Information and Privacy Acts -- so poorly drafted that they have become a charter for widespread, and on occasion, grotesque abuse -- have become blunt instruments in the hands of those who seek to abuse their intent.

- The FOIA statute allows any person in the world to utilize its provisions. Requests for Government files from foreigners who may represent hostile intelligence services are indistinguishable from legitimate requests, and are services at taxpayers' expense. Thus, Soviet, East European and other hostile intelligence agents may make free and unrestricted use of our attempt to make Government activities more accessible to Americans.
- The CIA alone has spent some four man-years responding to FOIA requests from Phillip Agee, a renegade CIA employee whose major occupation is the exposure, through his "Covert Action Bulletin," of CIA agents serving overseas. The Deputy Director of the Central Intelligence Agency has characterized it as "disgraceful" that the Agency must assist him in those endeavors.
- In 1978 CIA spent some 116 man-years fulfilling requests for information under these statutes, and in the case of one single request from an author has had a full-time

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employee assigned for 17 months. As the Agency has noted, such expenditures of "valuable human resources is greater than that spent on any one of several areas of key intelligence interest to the United States."

- For the FBI, more than 15 percent of its FOIA caseload represents requests from persons under active criminal investigation or from persons in prison. And, whereas in 1975 the FBI was working with some 1100 domestic intelligence informants, by October 1977 that number had dropped to about 100, under the obvious impact of the disclosure laws -- a 90 percent reduction.
- The Secret Service, by testimony of its Director, now receives less than half the intelligence data it received five years ago, and what information it does receive is of inferior quality.

Clearly, these statutes, while well-intentioned, are in need of revision and tightening to eliminate abuses of a type not foreseen when they were enacted. The Carter Administration has been slow to propose the badly needed provisions to Congress. Only now has it proposed a new FBI charter that will at least correct some of these flagrant abuses.

The issue is not one of more or less invasion of privacy; there is legitimate and continuing interest in the preservation of our liberties from arbitrary government excesses. The larger issue is one which goes to the heart of our national security: whether we can assure a legal environment which will provide for an effective intelligence community, one capable of giving us the vital intelligence

required to protect the security of our nation while at the same time guaranteeing against abuses which could deprive us of our individual rights.

The remedies which we propose deal largely with the organization and structure of the intelligence community. If adopted and implemented, they will, we believe, serve our national security well. We do not propose a wholesale reorganization of our intelligence community; its present legal basis, firmly rooted in the National Security Act of 1947, as amended, and its strong traditions are adequate. The problem -- and the challenge -- is to breathe new life, a new morale and spirit, a new sense of dedication into a professional community which has been traumatized and immobilized in recent years. Our need for a vigorous and productive intelligence community has never been greater, and the demands and uncertainties of the 1980s will levy still more requirements in the intelligence field. More important, our intelligence system serves as a vital component of our over-all deterrent; with a margin for error and miscalculation steadily narrowing, we can ill afford an intelligence system suffering systemic weakness or inadequacy.

But much could be done to improve our intelligence by a wise, caring and energetic President even without recourse to such changes in the law. Principled leadership in the intelligence field -- indeed, in the entire field of foreign and national security policy -- is an ingredient now missing; and the resultant confusion and chaos in policymaking and execution underscores this crucial element.

The functions which our intelligence community -- led by the CIA -- has performed in the past, less any obvious excesses, have been vital to our national security. But now we must remedy the debilitation which has been the product of several years; we must correct our course before it is too late.